



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE Adopt Resolution Authorizing a Sole Source Procurement of Remote Terminal Units (RTU's) and Accessories, from Geo Honn Company, Inc. of Vacaville, CA for Henning and Industrial Substations (not to exceed \$60,000) (EUD)

MEETING DATE: March 6, 2008

PREPARED BY Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing a sole source procurement of remote terminal units (RTUs) and accessories, from Geo Honn Company, Inc. of Vacaville, California for Henning and Industrial Substations not to exceed \$60,000.

BACKGROUND INFORMATION: RTU's are a critical component for the safe and reliable operation of an unmanned power station like Henning (1 RTU) and Industrial Substation (2 RTUs) facilities. An RTU is used to monitor the operating status power equipment and also to control power circuit breakers and load tap changers. The existing RTUs at both facilities were manufactured by Landis & Gyr (subsequently acquired by Siemens). It is no longer supported by the manufacturer and components are difficult to find.

Over the past months, the Electric Utility Department (EUD) has experienced intermittent problems with these RTU's prompting calls to substation personnel to place them back into operation. Problems include communication failure, no meter indications, failure of alarm signals, etc. The existing RTUs are antiquated with outdated operating and communication protocols that are difficult to integrate into existing control equipment. They also have connectivity issues when tying to the new fiber optic based communication system that was recently put into operation at the substations.

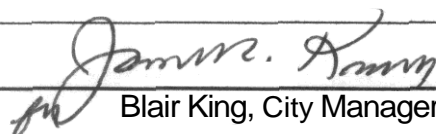
The most cost effective approach to modernizing the RTU's is to perform what is called a 'migration'. Migration means the core electronic elements within the RTUs are replaced but the cabinets, relays, and other standard items continue to be utilized. Cost savings through utilization of the migration approach is significant (about 2/3); however, it does require that the core RTU electronics be purchased from the existing RTU manufacturer for compatibility reasons.

The proposed replacement RTU's will be Siemens Model TG5700. They will be compatible with the City's new Supervisory Control and Data Acquisition (SCADA) System. This equipment is proposed to be purchased from Geo Honn Company, Inc. of Vacaville, CA on a sole source basis as explained above. This is the same company that last year successfully bid for the RTU (complete unit) for the Killelea Substation Rehabilitation Project and for similar migration equipment for the McLane Substation (similar pricing).

For purposes of maintaining reliable and safe electric system operation, staff recommends City Council approval for the procurement of the RTUs from sole source provider Geo Honn Company of Vacaville, California.

FISCAL IMPACT: The projected cost is not to exceed \$60,000.

APPROVED:


Blair King, City Manager

FUNDING:

Included in FY 2007-08 Budget Account No. 161651.


Kirk Evans, Budget Manager


George R. Morrow
Electric Utility Director

PREPARED BY.

Demy Bucaneg, Jr., P.E., Manager, Engineering & Operations
Allen Aadland, Ading Electric Systems Supervisor

GFM/DB/tst

RESOLUTION NO. 2008-31

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE SOLE SOURCE PURCHASE OF REMOTE
TERMINAL UNITS AND ACCESSORIES FOR HENNING AND
INDUSTRIAL SUBSTATIONS

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WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do **so**; and

WHEREAS, the remote terminal units (RTUs) are a critical component for the safe and reliable operation of an unmanned substation like Henning and Industrial Substations, are used to monitor the operating status power equipment, and are also used to control power circuit breakers and load tap changers; and

WHEREAS, the existing RTUs at both Industrial and Henning Substations were manufactured by Landis & Gyr (now Siemens) and are no longer supported by Siemens, and the components are difficult to find; and

WHEREAS, in past months, the Electric Utility Department has experienced intermittent problems (such as communication failures, no meter indications, regular failure alarm signals, etc.) with the RTUs prompting calls to substation personnel to put them back into operation; and

WHEREAS, the proposed replacement RTUs are a Siemens Model TG5700, which will be compatible with the existing Supervisory Control and Data Acquisition System; and

WHEREAS, to eliminate unnecessary additional cost, the existing protection relays and other controlling devices that are working are to be kept with the existing RTUs since they are in good condition, while replacing the RTUs (three total); and

WHEREAS, staff recommends that the RTUs be purchased **sole** source from Geo Honn Company, Inc., of Vacaville, California, which is the same company that successfully bid for the RTU for the Killelea Substation Rehabilitation Project.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the purchase of RTUs and accessories for the Henning and Industrial Substation from Geo Honn Company, Inc., of Vacaville, California, in an amount not to exceed \$60,000.

Dated: March 5, 2008

I hereby certify that Resolution No. 2008-31 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 5, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Katzakian, and
Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk